

**2002 GENERAL OBLIGATION BOND AND
CAPITAL FACILITIES AUTHORIZATIONS**

2002 GENERAL SESSION

STATE OF UTAH

Sponsor: Gerry A. Adair

This act modifies the Bonding Code by authorizing the issuance and sale of general obligation bonds by the State Bonding Commission for capital facilities. This act specifies the use of the bond proceeds and the manner of issuance. This act imposes and abates a property tax and creates a sinking fund. This act approves the issuance of certain obligations by the State Building Ownership Authority, authorizes other capital facility expenditures, repeals authorization for abandoned projects, and makes technical corrections.

This act affects sections of Utah Code Annotated 1953 as follows:

AMENDS:

63B-6-102, as last amended by Chapter 327, Laws of Utah 2000

ENACTS:

63B-11-101, Utah Code Annotated 1953

63B-11-102, Utah Code Annotated 1953

63B-11-103, Utah Code Annotated 1953

63B-11-104, Utah Code Annotated 1953

63B-11-105, Utah Code Annotated 1953

63B-11-106, Utah Code Annotated 1953

63B-11-107, Utah Code Annotated 1953

63B-11-108, Utah Code Annotated 1953

63B-11-109, Utah Code Annotated 1953

63B-11-110, Utah Code Annotated 1953

63B-11-111, Utah Code Annotated 1953

63B-11-112, Utah Code Annotated 1953

63B-11-113, Utah Code Annotated 1953

63B-11-114, Utah Code Annotated 1953

63B-11-115, Utah Code Annotated 1953

63B-11-116, Utah Code Annotated 1953

63B-11-117, Utah Code Annotated 1953

63B-11-401, Utah Code Annotated 1953

63B-11-402, Utah Code Annotated 1953

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **63B-6-102** is amended to read:

63B-6-102. Maximum amount -- Projects authorized.

(1) The total amount of bonds issued under this part may not exceed \$57,000,000.

(2) (a) Proceeds from the issuance of bonds shall be provided to the division to provide funds to pay all or part of the cost of acquiring and constructing the projects listed in this Subsection (2).

(b) These costs may include the cost of acquiring land, interests in land, easements and rights-of-way, improving sites, and acquiring, constructing, equipping, and furnishing facilities and all structures, roads, parking facilities, utilities, and improvements necessary, incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period, and all related engineering, architectural, and legal fees.

(c) For the division, proceeds shall be provided for the following:

CAPITAL AND ECONOMIC DEVELOPMENT

PROJECT DESCRIPTION	AMOUNT FUNDED	ESTIMATED OPERATIONS AND MAINTENANCE
Youth Corrections - Carbon / Emery (18 beds)	\$2,298,100	\$70,000
State Hospital - 100 bed Forensic Facility	\$13,800,700	\$320,600
Utah State University - Widtsoe Hall	\$23,986,700	\$750,200
Davis Applied Technology Center	\$6,344,900	\$144,000

- Medical/Health Tech Addition		
Southern Utah University -- Physical Education Building (Design)	\$1,100,000	\$456,100
Salt Lake Community College -- High Technology Building, 90th So. Campus (Design)	\$1,165,000	\$718,500
Department of Natural Resources - Antelope Island Road	\$3,600,000	None
Youth Corrections	\$1,500,000	None
- Region 1 72 Secured Bed Facility		
Department of Natural Resources - Dead Horse Point Visitors Center	\$1,350,000	\$5,700
[National Guard]	[\$1,600,000]	[\$5,700]
TOTAL CAPITAL AND ECONOMIC DEVELOPMENT	[\$56,745,400]	<u>\$55,145,400</u>

(d) For purposes of this section, operations and maintenance costs:

- (i) are estimates only;
- (ii) may include any operations and maintenance costs already funded in existing agency budgets; and
- (iii) are not commitments by this Legislature or future Legislatures to fund those operations and maintenance costs.

(3) (a) The amounts funded as listed in Subsection (2) are estimates only and do not constitute a limitation on the amount that may be expended for any project.

(b) The board may revise these estimates and redistribute the amount estimated for a project among the projects authorized.

(c) The commission, by resolution and in consultation with the board, may delete one or more projects from this list if the inclusion of that project or those projects in the list could be construed to violate state law or federal law or regulation.

(4) (a) The division may enter into agreements related to these projects before the receipt of

proceeds of bonds issued under this chapter.

(b) The division shall make those expenditures from unexpended and unencumbered building funds already appropriated to the Capital Projects Fund.

(c) The division shall reimburse the Capital Projects Fund upon receipt of the proceeds of bonds issued under this chapter.

(d) The commission may, by resolution, make any statement of intent relating to that reimbursement that is necessary or desirable to comply with federal tax law.

(5) (a) For those projects for which only partial funding is provided in Subsection (2), it is the intent of the Legislature that the balance necessary to complete the projects be addressed by future Legislatures, either through appropriations or through the issuance or sale of bonds.

(b) For those phased projects, the division may enter into contracts for amounts not to exceed the anticipated full project funding but may not allow work to be performed on those contracts in excess of the funding already authorized by the Legislature.

(c) Those contracts shall contain a provision for termination of the contract for the convenience of the state as required by Section 63-56-40.

(d) It is also the intent of the Legislature that this authorization to the division does not bind future Legislatures to fund projects initiated from this authorization.

Section 2. Section **63B-11-101** is enacted to read:

CHAPTER 11. 2002 BONDING AND FINANCING AUTHORIZATIONS

Part 1. Capital Facilities General Obligation Bonds

63B-11-101. State Bonding Commission authorized to issue general obligation bonds.

The commission created under Section 63B-1-201 may issue and sell general obligation bonds of the state pledging the full faith, credit, and resources of the state for the payment of the principal of and interest on the bonds to provide funds to the division.

Section 3. Section **63B-11-102** is enacted to read:

63B-11-102. Maximum amount -- Projects authorized.

(1) The total amount of bonds issued under this part may not exceed \$109,500,000.

(2) (a) Proceeds from the issuance of bonds shall be provided to the division to provide

funds to pay all or part of the cost of acquiring and constructing the projects listed in this Subsection (2).

(b) These costs may include the cost of acquiring land, interests in land, easements and rights-of-way, improving sites, and acquiring, constructing, equipping, and furnishing facilities and all structures, roads, parking facilities, utilities, and improvements necessary, incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period, and all related engineering, architectural, and legal fees.

(c) For the division, proceeds shall be provided for the following:

<u>PROJECT</u>	<u>AMOUNT</u>	<u>ESTIMATED</u>
<u>DESCRIPTION</u>	<u>FUNDED</u>	<u>OPERATIONS</u>
		<u>AND</u>
		<u>MAINTENANCE</u>
<u>Dixie State College</u>		
<u>Eccles/Graff Performing Arts Center</u>	<u>\$13,308,000</u>	<u>\$281,200</u>
<u>Snow College Performing Arts Center</u>	<u>\$15,583,000</u>	<u>\$200,000</u>
<u>Weber State University Classroom Building</u>		
<u>-- Davis Campus</u>	<u>\$20,500,000</u>	<u>\$558,200</u>
<u>University of Utah Health Sciences Building</u>	<u>\$23,522,000</u>	<u>\$676,000</u>
<u>Capitol Restoration Design/Parking Structure</u>	<u>\$25,970,000</u>	<u>\$ 0</u>
<u>Utah Valley State College Wasatch Campus</u>	<u>\$9,587,000</u>	<u>\$324,600</u>
<u>TOTAL CAPITAL AND</u>		
<u>ECONOMIC DEVELOPMENT</u>	<u>\$108,470,000</u>	

(d) For purposes of this section, operations and maintenance costs:

(i) are estimates only;

(ii) may include any operations and maintenance costs already funded in existing agency budgets; and

(iii) are not commitments by this Legislature or future Legislatures to fund those operations

and maintenance costs.

(3) (a) The amounts funded as listed in Subsection (2) are estimates only and do not constitute a limitation on the amount that may be expended for any project.

(b) The board may revise these estimates and redistribute the amount estimated for a project among the projects authorized.

(c) The commission, by resolution and in consultation with the board, may delete one or more projects from this list if the inclusion of that project or those projects in the list could be construed to violate state law or federal law or regulation.

(4) (a) The division may enter into agreements related to these projects before the receipt of proceeds of bonds issued under this chapter.

(b) The division shall make those expenditures from unexpended and unencumbered building funds already appropriated to the Capital Projects Fund.

(c) The division shall reimburse the Capital Projects Fund upon receipt of the proceeds of bonds issued under this chapter.

(d) The commission may, by resolution, make any statement of intent relating to that reimbursement that is necessary or desirable to comply with federal tax law.

Section 4. Section **63B-11-103** is enacted to read:

63B-11-103. Use of bond proceeds for issuance and other costs.

The proceeds of bonds issued under this chapter shall be used for the purposes described in Section 63B-11-102 and to pay all or part of any cost incident to the issuance and sale of the bonds including, without limitation, printing, registration and transfer costs, legal fees, trustees' fees, financial advisors' fees, and underwriters' discounts.

Section 5. Section **63B-11-104** is enacted to read:

63B-11-104. Manner of issuance -- Amounts, interest, and maturity.

(1) Bonds issued under this chapter may be authorized, sold, and issued at times and in a manner determined by the commission by resolution.

(2) Bonds may be issued in one or more series, in amounts, and shall bear dates, interest rate or rates, including a variable rate, and maturity dates as the commission determines by resolution.

(3) A bond issued may not mature later than 15 years after the date of final passage of this chapter.

Section 6. Section **63B-11-105** is enacted to read:

63B-11-105. Terms and conditions of sale -- Plan of financing -- Signatures --

Replacement -- Registration -- Federal rebate.

(1) In the issuance of bonds, the commission may determine by resolution:

(a) the manner of sale, including public or private sale;

(b) the terms and conditions of sale, including price, whether at, below, or above face value;

(c) denominations;

(d) form;

(e) manner of execution;

(f) manner of authentication;

(g) place and medium of purchase;

(h) redemption terms; and

(i) other provisions and details it considers appropriate.

(2) The commission may, by resolution, adopt a plan of financing, which may include terms and conditions of arrangements entered into by the commission on behalf of the state with financial and other institutions for letters of credit, standby letters of credit, reimbursement agreements, and remarketing, indexing, and tender agent agreements to secure the bonds, including payment from any legally available source of fees, charges, or other amounts coming due under the agreements entered into by the commission.

(3) (a) Any signature of a public official authorized by resolution of the commission to sign the bonds may be a facsimile signature of that official imprinted, engraved, stamped, or otherwise placed on the bonds.

(b) If all signatures of public officials on the bonds are facsimile signatures, provision shall be made for a manual authenticating signature on the bonds by or on behalf of a designated authentication agent.

(c) If an official ceases to hold office before delivery of the bonds signed by that official, the

signature or facsimile signature of the official is nevertheless valid for all purposes.

(d) A facsimile of the state seal may be imprinted, engraved, stamped, or otherwise placed on the bonds.

(4) (a) The commission may enact resolutions providing for the replacement of lost, destroyed, or mutilated bonds, or for the exchange of bonds after issuance for bonds of smaller or larger denominations.

(b) Bonds in changed denominations shall:

(i) be exchanged for the original bonds in like aggregate principal amounts and in a manner that prevents the duplication of interest; and

(ii) bear interest at the same rate, mature on the same date, and be as nearly as practicable in the form of the original bonds.

(5) (a) Bonds may be registered as to both principal and interest or may be in a book entry form under which the right to principal and interest may be transferred only through a book entry.

(b) The commission may provide for the services and payment for the services of one or more financial institutions or other entities or persons, or nominees, within or outside the state, for the authentication, registration, transfer, including record, bookkeeping, or book entry functions, exchange, and payment of the bonds.

(c) The records of ownership, registration, transfer, and exchange of the bonds, and of persons to whom payment with respect to the obligations is made, are private records as provided in Section 63-2-302 or protected records as provided in Section 63-2-304.

(d) The bonds and any evidences of participation interest in the bonds may be issued, executed, authenticated, registered, transferred, exchanged, and otherwise made to comply with Title 15, Chapter 7, Registered Public Obligations Act, or any other act of the Legislature relating to the registration of obligations enacted to meet the requirements of Section 149 of the Internal Revenue Code of 1986, as amended, or any successor to it, and applicable regulations.

(6) The commission may:

(a) by resolution, provide for payment to the United States of whatever amounts are necessary to comply with Section 148 (f) of the Internal Revenue Code of 1986, as amended; and

(b) enter into agreements with financial and other institutions and attorneys to provide for:
(i) the calculation, holding, and payment of those amounts; and
(ii) payment from any legally available source of fees, charges, or other amounts coming due under any agreements entered into by the commission.

Section 7. Section **63B-11-106** is enacted to read:

63B-11-106. Constitutional debt limitation.

(1) The commission may not issue bonds under this chapter in an amount that violates the limitation described in Utah Constitution Article XIV, Section 1.

(2) For purposes of applying the debt limitation contained in Utah Constitution Article XIV, Section 1, the value of the taxable property in Utah is considered to be 100% of the fair market value of the taxable property of the state, including fee-in-lieu property, as computed from the last assessment for state purposes previous to the issuance of the bonds.

Section 8. Section **63B-11-107** is enacted to read:

63B-11-107. Tax levy -- Abatement of tax.

(1) Each year after issuance of the bonds and until all outstanding bonds are retired, there is levied a direct annual tax on all real and personal property within the state subject to state taxation, sufficient to pay:

- (a) applicable bond redemption premiums, if any;
- (b) interest on the bonds as it becomes due; and
- (c) principal of the bonds as it becomes due.

(2) (a) The State Tax Commission shall fix the rate of the direct annual tax levy each year.

(b) The tax shall be collected and the proceeds applied as provided in this chapter.

(3) The direct annual tax imposed under this section is abated to the extent money is available from sources, other than ad valorem taxes in the sinking fund, for the payment of bond interest, principal, and redemption premiums.

Section 9. Section **63B-11-108** is enacted to read:

63B-11-108. Creation of sinking fund.

(1) There is created a sinking fund, to be administered by the state treasurer, entitled the

"2002 Capital Facilities General Obligation Bonds Sinking Fund."

(2) All monies deposited in the sinking fund, from whatever source, shall be used to pay debt service on the bonds.

(3) The proceeds of all taxes levied under this chapter are appropriated to this fund.

(4) The state treasurer may create separate accounts within the sinking fund for each series of bonds issued.

Section 10. Section **63B-11-109** is enacted to read:

63B-11-109. Payment of interest, principal, and redemption premiums.

(1) The Division of Finance shall draw warrants on the state treasury before any interest, principal, or redemption premiums become due on the bonds.

(2) After receipt of the warrants, the state treasurer shall:

(a) promptly pay the warrants from funds within the sinking fund; and

(b) immediately transmit the amount paid to the paying agent for the bonds.

Section 11. Section **63B-11-110** is enacted to read:

63B-11-110. Investment of sinking fund money.

(1) The state treasurer may, by following the procedures and requirements of Title 51, Chapter 7, State Money Management Act, invest any money contained in the sinking fund until it is needed for the purposes for which the fund is created.

(2) Unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter, the treasurer shall retain all income from the investment of any money contained in the sinking fund in the sinking fund and use it for the payment of debt service on the bonds.

Section 12. Section **63B-11-111** is enacted to read:

63B-11-111. Bond proceeds -- Deposits -- Investment -- Disposition of investment income and unexpended proceeds.

(1) (a) Proceeds from the sale of bonds issued under this chapter shall be deposited within one or more accounts as determined by resolution of the commission.

(b) The state treasurer shall administer and maintain these accounts unless otherwise

provided by the commission by resolution.

(c) The commission by resolution may provide for the deposit of these monies with a trustee and the administration, disposition, or investment of these monies by this trustee.

(2) (a) The commission by resolution shall provide for the kinds of investments in which the proceeds of bonds issued under this chapter may be invested.

(b) Income from the investment of proceeds of bonds issued under this chapter shall be applied as provided by resolution of the commission.

(3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon completion of the purposes for which the bonds were issued, in the sinking fund, unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter.

Section 13. Section **63B-11-112** is enacted to read:

63B-11-112. Refunding of bonds.

(1) The commission may provide for the refunding of any of the bonds in accordance with Title 11, Chapter 27, Utah Refunding Bond Act.

(2) For purposes of Title 11, Chapter 27, Utah Refunding Bond Act, the state is considered the public body and the commission its governing body.

Section 14. Section **63B-11-113** is enacted to read:

63B-11-113. Certification of satisfaction of conditions precedent -- Conclusiveness.

(1) The commission may not issue any bond under this chapter until it finds and certifies that all conditions precedent to issuance of the bonds have been satisfied.

(2) A recital on any bond of this finding and certification conclusively establishes the completion and satisfaction of all conditions precedent.

Section 15. Section **63B-11-114** is enacted to read:

63B-11-114. Tax exemption.

The bonds issued under this chapter, any interest paid on the bonds, and any income from the bonds are not taxable in this state for any purpose, except for the corporate franchise tax.

Section 16. Section **63B-11-115** is enacted to read:

63B-11-115. Legal investment status.

Bonds issued under this chapter are legal investments for all state trust funds, insurance companies, banks, trust companies, and the State School Fund and may be used as collateral to secure legal obligations.

Section 17. Section **63B-11-116** is enacted to read:

63B-11-116. Publication of resolution or notice -- Limitation on actions to contest legality.

(1) The commission may:

(a) publish any resolution it adopts under this chapter once in a newspaper having general circulation in Utah; or

(b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required in Subsection 11-14-21(3).

(2) (a) Any interested person, for 30 days after the date of publication, may contest:

(i) the legality of the resolution;

(ii) any of the bonds authorized under it; or

(iii) any of the provisions made for the security and repayment of the bonds.

(b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Section 18. Section **63B-11-117** is enacted to read:

63B-11-117. Report to Legislature.

The governor shall report the commission's proceedings to each annual general session of the Legislature in his budget for as long as bonds issued under this chapter remain outstanding.

Section 19. Section **63B-11-401** is enacted to read:

Part 4. Revenue Bond Authorizations

63B-11-401. Revenue bond authorizations.

(1) It is the intent of the Legislature that:

(a) the Board of Regents, on behalf of the University of Utah, issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit,

revenues, and reserves of the University of Utah, other than appropriations of the Legislature, to refinance the cost of acquiring, constructing, furnishing, and equipping the East-Campus Central Plant and related energy improvements;

(b) savings in heating and cooling costs be used as the primary revenue source for repayment of any obligation created under authority of this section; and

(c) the bonds or other evidences of indebtedness authorized by this section may provide up to \$33,000,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.

(2) It is the intent of the Legislature that:

(a) the Board of Regents, on behalf of Utah State University, issue, sell, and deliver revenue bonds or other evidences of indebtedness of Utah State University to borrow money on the credit, revenues, and reserves of Utah State University, other than appropriations of the Legislature, to finance the cost of acquiring, constructing, furnishing, and equipping research and office facilities at its Research Park;

(b) revenues from research activities, the Utah State University Research Foundation, and other institutional funds be used as the primary revenue source for repayment of any obligation created under authority of this section; and

(c) the bonds or other evidences of indebtedness authorized by this section may provide up to \$19,000,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.

(3) It is the intent of the Legislature that:

(a) the Board of Regents, on behalf of Southern Utah University, issue, sell, and deliver revenue bonds or other evidences of indebtedness of Southern Utah University to borrow money on the credit, revenues, and reserves of Southern Utah University, other than appropriations of the Legislature, to finance the cost of acquiring, constructing, furnishing, and equipping a Student Living and Learning Facility;

(b) student housing and other auxiliary revenues and student building fees be used as the primary revenue source for repayment of any obligation created under authority of this section; and

(c) the bonds or other evidences of indebtedness authorized by this section may provide up to \$9,000,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.

(4) It is the intent of the Legislature that:

(a) the Board of Regents, on behalf of Snow College, issue, sell, and deliver revenue bonds or other evidences of indebtedness of Snow College to borrow money on the credit, revenues, and reserves of Snow College, other than appropriations of the Legislature, to finance the cost of acquiring, constructing, furnishing, and equipping a Multi-Event Center in Richfield;

(b) usage fees and other operating revenues be used as the primary revenue source for repayment of any obligation created under authority of this section; and

(c) the bonds or other evidences of indebtedness authorized by this section may provide up to \$2,500,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.

(5) It is the intent of the Legislature that the State Building Ownership Authority, under the authority of Title 63, Chapter 9a, State Building Ownership Act, may issue or execute obligations, or enter into or arrange for a lease purchase agreement in which participation interests may be created, to provide up to \$1,836,000 for the acquisition of a site and construction of a store in Tooele for the Department of Alcoholic Beverage Control, together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.

Section 20. Section **63B-11-402** is enacted to read:

63B-11-402. Other capital facility authorizations and intent language.

(1) It is the intent of the Legislature that:

(a) Salt Lake Community College use donations and other institutional funds to plan, design, and construct a renovation of and addition to the Grand Theater under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;

(b) no state funds be used for any portion of this project; and

(c) the college may request state funds for operations and maintenance to the extent that the

college is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.

(2) It is the intent of the Legislature that:

(a) the University of Utah use donations, grants, and other institutional funds to plan, design, and construct a Department of Chemistry Gauss House under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;

(b) no state funds be used for any portion of this project; and

(c) the university may request state funds for operations and maintenance to the extent that the university is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.

(3) It is the intent of the Legislature that:

(a) the University of Utah use donations and other institutional funds to plan, design, and construct an expansion of the Eccles Health Science Library and the associated parking structure under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;

(b) no state funds be used for any portion of this project; and

(c) the university may request state funds for operations and maintenance to the extent that the university is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.

(4) It is the intent of the Legislature that:

(a) the University of Utah use donations and other institutional funds to plan, design, and construct a Phase II Addition to the Moran Eye Center under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;

(b) no state funds be used for any portion of this project; and

(c) the university may not request state funds for operations and maintenance.

(5) It is the intent of the Legislature that:

(a) the University of Utah use donations and other institutional funds to plan, design, and construct a Children's Dance Theatre under the direction of the director of the Division of Facilities

Construction and Management unless supervisory authority has been delegated;

(b) no state funds be used for any portion of this project; and

(c) the university may not request state funds for operations and maintenance.

(6) It is the intent of the Legislature that:

(a) Utah State University use donations and other institutional funds to plan, design, and construct a Teaching Pavilion at its Animal Science Farm under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;

(b) no state funds be used for any portion of this project; and

(c) the university may request state funds for operations and maintenance to the extent that the university is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.

(7) It is the intent of the Legislature that:

(a) the Division of Youth Corrections use donations to plan, design, and construct a chapel at the Slate Canyon Youth Corrections Facility under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;

(b) no state funds be used for any portion of this project; and

(c) the division may not request additional state funding for operations and maintenance.

(8) It is the intent of the Legislature that the Utah National Guard use federal funds and proceeds from the sale of property to acquire a site for new facilities in Salt Lake or Davis County.

(9) It is the intent of the Legislature that:

(a) the Utah National Guard use donations and grants to plan, design, and construct the renovation and expansion of the Fort Douglas Military Museum under the direction of the director of the Division of Facilities Construction and Management unless supervisory authority has been delegated;

(b) no state funds be used for any portion of this project; and

(c) the National Guard may not request additional state funding for operations and maintenance.

(10) It is the intent of the Legislature that:

(a) the Division of Facilities Construction and Management pursue the exchange of public safety facilities in Orem if:

(i) the land and newly constructed replacement facilities meet the needs of the Driver License Division and the Utah Highway Patrol; and

(ii) the replacement property and facilities can be obtained at a cost that is not less than the market value of the existing property and facilities; and

(b) the division confirms the value of the properties to be exchanged.