

Effective 5/1/2024

11-68-202 Operation of the state-owned buildings and facilities on fair park land -- New construction and modification of existing facilities -- Liability insurance -- Obligations of the authority.

(1) The authority shall:

- (a) operate and maintain state-owned buildings and facilities on fair park land in accordance with the facility maintenance standards approved by the division;
- (b) pay for all costs associated with operating and maintaining state-owned buildings and facilities on fair park land;
- (c) obtain approval from the division before making any alteration or addition to the water system, heating system, plumbing system, air conditioning system, or electrical system of a state-owned building or facility on fair park land;
- (d) keep the fair park land and all state-owned buildings and facilities on fair park land fully insured to protect against loss or damage by fire, vandalism, or malicious mischief;
- (e) in accordance with Subsection (3), at the authority's expense, and for the mutual benefit of the division, maintain general public liability insurance in an amount equal to at least \$1,000,000 through one or more companies that are:
 - (i) licensed to do business in the state;
 - (ii) selected by the authority; and
 - (iii) approved by the division and the Division of Risk Management;
- (f) ensure that the division is an additional insured with primary coverage on each insurance policy that the authority obtains in accordance with this section;
- (g) give the division notice at least 30 days before the day on which the authority cancels any insurance policy that the authority obtains in accordance with this section; and
- (h) if any lien that is not invalid under Section 38-1a-103 is recorded or filed against the state fair park as a result of an act or omission of the authority, cause the lien to be satisfied or released within 10 days after the day on which the authority receives notice of the lien.

(2)

- (a) As used in this Subsection (2):
 - (i) "Existing facility modification" means an alteration, repair, or improvement to an existing state-owned building or facility on fair park land.
 - (ii) "Major project" means new construction or an existing facility modification that costs, regardless of the funding source, over \$100,000.
 - (iii) "Minor project" means new construction or an existing facility modification that costs, regardless of the funding source, \$100,000 or less.
 - (iv) "New construction" means the design and construction of a new state-owned or privately owned building or facility on fair park land.
- (b)
 - (i) The director of the division shall exercise direct supervision over a major project.
 - (ii) Notwithstanding Subsection (2)(b)(i), the director of the division may delegate control over a major project to the authority on a project-by-project basis.
 - (iii) With respect to a delegation of control under Subsection (2)(b)(ii), the director of the division may:
 - (A) impose terms and conditions on the delegation that the director considers necessary or advisable to protect the interests of the state; and
 - (B) revoke the delegation and assume control of the design, construction, or other aspect of a delegated project if the director considers the revocation and assumption of control to be necessary to protect the interests of the state.

- (iv) If a major project over which the division exercises direct supervision includes the demolition of a building or other facility on fair park land, the division shall, at least 90 days before demolition work begins, notify the State Historic Preservation Office of the division's demolition plan.
- (c) Subject to Subsection (2)(d), the authority may exercise direct supervision over a minor project.
- (d) With respect to a minor project over which the authority exercises direct supervision, the authority shall:
 - (i) obtain the division's approval before commencing the new construction or existing facility modification;
 - (ii) obtain a building permit from the division before commencing the new construction or existing facility modification, if a building permit is required;
 - (iii) comply with the division's forms and contracts and the division's design, construction, alteration, repair, improvement, and code inspection standards;
 - (iv) notify the division before commencing the new construction or existing facility modification;
 - (v) coordinate with the division regarding the review of design plans and management of the new construction or existing facility modification project; and
 - (vi) at least 90 days before the beginning of any demolition of a building or facility on the fair park land, notify the division and the State Historic Preservation Office of the proposed demolition.

(3) The general public liability insurance described in Subsection (1)(e) shall:

- (a) insure against any claim for personal injury, death, or property damage that occurs on fair park land; and
- (b) be a blanket policy that covers all activities of the authority.

(4) Upon 24 hours notice to the board, the division may enter the fair park land to inspect any facility on fair park land and make any repairs that the division determines necessary.

(5)

- (a) A debt or obligation contracted by the authority is a debt or obligation of the authority and not of the state.
- (b) The state is not liable and assumes no responsibility for any debt or obligation of the authority.

(6) The powers and responsibilities of the authority under this section with regard to the issuance of bonds for capital development projects on fair park land are subject to the powers and responsibilities of the Utah Fairpark Area Investment and Restoration District, created in Section 11-70-201.

Amended by Chapter 419, 2024 General Session